MINISTRY OF JUSTICE AND ATTORNEY GENERAL

CRIMINAL PROPERTY FORFEITURE FUND

FINANCIAL STATEMENTS

For the Year Ended March 31, 2011

Provincial Auditor Saskatchewan

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SASKATCHEWAN

INDEPENDENT AUDITOR'S REPORT

To: The Members of the Legislative Assembly of Saskatchewan

I have audited the accompanying financial statements of the Criminal Property Forfeiture Fund, which comprise the statement of financial position as at March 31, 2011, and the statement of operations, statement of changes in net financial assets and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards for Treasury Board's approval, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Criminal Property Forfeiture Fund as at March 31, 2011, and the results of its operations, changes in its net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Bonnie Lysyk

Regina, Saskatchewan
July 11, 2011

Bonnie Lysyk, MBA, CA
Provincial Auditor

Statement 1

MINISTRY OF JUSTICE AND ATTORNEY GENERAL
CRIMINAL PROPERTY FORFEITURE FUND
STATEMENT OF FINANCIAL POSITION
As at March 31

	2011	2010
Financial assets		
Due from General Revenue Fund (Note 3)	$ 14,072	$ 841
Accounts receivable (Note 4)	26,788	-
Total financial assets	40,860	841
Liabilities		
Accounts payable	-	-
Total liabilities	-	-
Net financial assets	40,860	841
Accumulated surplus	$ 40,860	$ 841

(See accompanying notes to the financial statements)

MINISTRY OF JUSTICE AND ATTORNEY GENERAL
CRIMINAL PROPERTY FORFEITURE FUND
STATEMENT OF OPERATIONS
For the Year Ended March 31

	2011	2010 (Nine months from July 1 to March 31)
Revenue:		
Forfeitures	$ 43,146	$ 841
Awarded costs	1,406	-
Interest	68	-
Total revenue	44,620	841
Expense:		
Administration costs	4,601	-
Total expense	4,601	-
Surplus for the year	40,019	841
Accumulated surplus, beginning of year	841	-
Accumulated surplus, end of year	$ 40,860	$ 841

(See accompanying notes to the financial statements)

MINISTRY OF JUSTICE AND ATTORNEY GENERAL
CRIMINAL PROPERTY FORFEITURE FUND
STATEMENT OF CHANGES IN NET FINANCIAL ASSETS
For the Year Ended March 31

	2011	2010 (Nine months from July 1 to March 31)
Surplus for the year	$ 40,019	$ 841
Increase in net financial assets	40,019	841
Net financial assets, beginning of year	841	-
Net financial assets, end of year	$ 40,860	$ 841

(See accompanying notes to the financial statements)

Statement 4

MINISTRY OF JUSTICE AND ATTORNEY GENERAL
CRIMINAL PROPERTY FORFEITURE FUND
STATEMENT OF CASH FLOWS
For the Year Ended March 31

	2011	2010 (Nine months from July 1 to March 31)
Operating activities		
Cash received from:		
Forfeitures	$ 17,800	$ 841
Interest	32	-
	17,832	841
Cash paid for:		
Administration	4,601	-
	4,601	-
Cash provided by operating activities	13,231	841
Investing activities		
Purchase of investments	-	-
Increase in cash and cash equivalents	13,231	841
Due from General Revenue Fund, beginning of year	841	-
Due from General Revenue Fund, end of year	$ 14,072	$ 841

(See accompanying notes to the financial statements)

MINISTRY OF JUSTICE AND ATTORNEY GENERAL
CRIMINAL PROPERTY FORFEITURE FUND
NOTES TO THE FINANCIAL STATEMENTS
For the year ended March 31, 2011

1. Authority

The Criminal Property Forfeiture Fund (Fund) was established under section 30(1) of *The Seizure of Criminal Property Act, 2009* (Act). The Fund receives all revenue related to the sale of property that has been forfeited to the Crown pursuant to subsection 27(2) of the Act and pays for costs related to bringing applications for forfeiture, managing and selling forfeited assets, and the Fund administration. Also, at the direction of the Minister responsible for the Act and the Minister responsible for *The Police Act, 1990*, money in the Fund may be used, on an equal basis, for police operations and the Victims' Fund.

2. Significant Accounting Policies

Pursuant to standards established by the Public Sector Accounting Board, the Fund is classified as an other government organization. The Fund uses Canadian generally accepted accounting principles applicable to the public sector. The following accounting policies are considered to be significant.

a) Basis of accounting

The financial statements are prepared on the accrual basis of accounting.

b) Revenue

Forfeiture and other sources of revenue are recognized as revenue in the year received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured.

c) Use of estimates

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. These principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Differences are reflected in the period when they are identified.

3. Due from General Revenue Fund

The monies of the Fund are deposited in the General Revenue Fund.

The Fund's earned interest is calculated and paid by the General Revenue Fund on a quarterly basis to the Fund using the Government's thirty day borrowing rate and the Fund's average daily bank account balance. The Government's average 30 day borrowing rate in 2011 was 0.80% (2010 – 0.27%).

4. Accounts Receivable

Amounts due to the Fund consist of court ordered forfeitures, awarded costs and other miscellaneous receivables. The balance at March 31 consists of:

	2011	2010 (9 Months)
Forfeitures	$ 25,345	$ -
Awarded costs	1,406	-
Other accounts receivable	37	-
Total accounts receivable	$ 26,788	$ -

5. Related Parties

During the period, the Fund received certain services from the Ministry of Justice and Attorney General and the Ministry of Finance without charge.

6. Budget

Budget amounts have not been disclosed as the Fund has not been in operation for a sufficient period of time to provide a basis for relevant and reliable budget amounts.